

C/CAG AGENDA REPORT

Date: May 12, 2011

TO: C/CAG Board of Directors

From: Richard Napier, Executive Director - C/CAG

Subject: Initial draft, assumptions, and input on the C/CAG 2011-12 Program Budget and Fees
(For further information or response to question's, contact Richard Napier at 650 599-1420)

Recommendation:

Review and provide comments on the initial draft and assumptions of the C/CAG 2011-12 Program Budget and Fees in accordance with the staff recommendation.

Fiscal Impact:

In accordance with the proposed C/CAG 2011-12 Program Budget.

Revenue Sources:

Funding sources for C/CAG include member assessments, cost reimbursement from partners, local sales tax Measure A, private and public grants, regional - State - Federal transportation and other funds, Department of Motor Vehicle fees, State - Federal earmarks, and interest.

Background/Discussion:

Staff has developed the C/CAG Program Budget for 2011-12. Refer to the Budget Executive Summary in Attachment A. The complete detailed Budget will be provided in a separate attachment for reference for the June Board Meeting. See Attachment B for Member Assessments. The Member Assessments remain the same as in FY 10-11 in recognition of the difficult budget climate for the cities and the County. The C/CAG Budget will be introduced at the 5/12/11 C/CAG Board Meeting for comments. It is recommended that the Board approve the Budget at the 6/09/11 Board Meeting.

C/CAG 2011-12 Program Budget Assumptions:

The following are the initial Budget assumptions. It is requested that the C/CAG Board at the 5/12/11 Board Meeting provide additional direction on the assumptions to be used to develop the final Budget.

ITEM 6.2

Revenue

- 1- General Fund/ Administrative - Member Assessments - Same as last year due to budget issues with the cities and County.
- 2- In FY 10-11 negotiated funding for the Airport Land-Use Commission (ALUC) of \$100,000 from San Francisco International Airport and \$20,000 from the County of San Mateo. Must continue to pursue ongoing funding for ALUC.
- 3- Congestion Management - Member Assessments - Same as last year due to financial issues with the cities and County.
- 4- Smart Corridor - Assume \$6,100,000 in STIP and local funds flows through C/CAG Budget. This is for the construction of the local portion of the Smart Corridor Project.
- 5- Included negotiated level of funding for planning from the Metropolitan Transportation Commission (MTC) and the State Transportation Improvement Program (STIP).
- 6- Transportation Authority (TA) cost reimbursement funding is included in the FY 11-12 Budget.
- 7- San Mateo Congestion Relief Program assumes \$200,000 in funding for climate action planning. This includes cost for climate action partnerships to assist the cities and County as was done in the 2010-2011 C/CAG budget.

Expenditures

- 8- Smart Corridor - Beginning construction phase of the Smart Corridor in FY 11-12 will significantly increase expenditures.
- 9- Congestion Management - Modeling - Funding for VTA as the primary C/CAG modeler.
- 10- 2020 Gateway - Phase 2 consists of the following:
Implementation Project Match - \$100,000.
- 11- San Mateo Energy Watch - Includes \$239,000 for Climate Action Planning,
- 12- San Mateo Smart Corridor Program - Assumes construction of the Smart Corridor project (\$6,996,000).
- 13- NPDES - Programmed projected cost for the new Municipal Regional Permit for FY 11-12. Will use Measure M funds as necessary to address the \$500-750K per year ongoing funding deficit.
- 14- DMV Fee - Transfer out \$400,000 to the Smart Corridor fund and \$344,490 to the NPDES fund.
- 15- Measure M - Will pay back \$550,000 to AB 1546 Fund for the cost of the election.
- 16- All funds except the LGP Energy Watch and Abandoned Vehicle Abatement Fund will proportionately share the cost of financial, legal, office space and miscellaneous fixed support cost.
- 17- TFCA - Programmed Projects are 100% reimbursed in current and budget year. Due to lower revenues received than programmed, may have a larger commitment than revenues. Will adjust the final payments to the programmed projects such that they stay within the funds available.
- 18- For FY 10-11 and FY 11-12 it is assumed that all the allocations to each agency will be made from the DMV Fee (AB 1546 and Measure M) Program.

C/CAG 2011-12 Program Budget Overview:

Refer to the Budget Executive Summary in Attachment A. Revenues increased 109.96% and Expenditures increased 143.38%. The Revenue increase of \$12,486,653 is due primarily to the \$5,085,075 increase in State Transportation Improvement Program (STIP) funds for the Smart Corridor Project and \$6,725,000 from new Measure M revenue. The increase in Expenditures of \$14,464,398 is due to the project implementation (\$6,285,610) for the Smart Corridor project, an increase in Transportation Programs of \$255,735, new Measure M local distributions of \$4,775,673, San Mateo Congestion Relief increase of \$898,080 due to Smart Corridor Project support and climate action, and DMV Fee Program implementation cost of \$1,549,000. Ending Fund Balance decreased 6.92% or by \$710,064. The Reserve Fund Balance between FY 10-11 and FY 11-12 remain the same. The cost for the lobbyist is included in the budget for Congestion Relief (\$36,000) and NPDES (\$36,000) funds.

The Member Assessments for FY 11-12 remains the same as in FY 10-11. Additionally the proposed Budget continues to pay for the lobbyist (\$72,000) without an increase in Member Assessment. This is effectively a 10% savings to Member Agencies.

Administrative Program Fund	\$250,024 (General Fund)
Transportation Programs Fund	\$390,907 (Gas Tax or General Fund)
Total C/CAG Assessments	\$640,931

Assessments are made based on population. Basis is the State Department of Finance data released 1/01/06. In order to keep the assessments the same as the prior year for all members used the 1/01/06 Department of Finance data. It is unlikely that newer data would significantly change the distribution since San Mateo County has had minimal population growth.

Congestion Relief Fund	\$1,850,000
Total Congestion Relief	\$1,850,000

NPDES Agency Direct	\$109,000 (Colma, San Mateo, Woodside and Brisbane)
NPDES Flood Control District	\$1,309,989
Total NPDES	\$1,418,989

It is recommended that a fee and surcharge be applied of \$1,418,989. (Note: NPDES fees may increase slightly above this due to approved inflation factors. This will be included in the City/ County adopting resolutions.)

The Member Assessments, Congestion Relief, and Agency Direct total \$3,909,920.

See Attachment B for Member Assessments.

San Mateo County Congestion Management Program:

This fund includes development of the Countywide Transportation Plan for \$300,000 including model runs.

San Mateo Congestion Relief Program:

This fund includes shuttles (\$790,000), Congestion Relief Alliance support (\$505,000), El Camino Real Incentive (\$617,000), miscellaneous congestion relief programs (\$110,000), Climate Action Planning (\$200,000) and shared resource for housing with County of San Mateo (\$100,000).

San Mateo Smart Corridor Program:

This fund is for implementation of the San Mateo Smart Corridor. TLSP/ STIP funding of \$3,100,000 and Transportation Authority cost sharing of \$3,000,000 will fund the construction of the local portion of the construction of the San Mateo Smart Corridor. State funding may be delayed due to the State budget problems.

DMV Fee Program (AB 1546 and Measure M):

Will review the delivery/ current programs and add programs as necessary in order to lower the fund balance.

C/CAG - Member Fees Highly Leveraged and Cost Savings:

The member dues and fees are highly leveraged. Attachment C provides a Graphical Representation of the C/CAG Budget and visually illustrates the leveraged capacity (Less SMCRRP). The FY 11-12 Revenue is leveraged **9.26 to 1**. Including the funds that C/CAG controls, such as State and Federal Transportation funds, increases the leverage to **19.55 to 1**.

Through the C/CAG functions revenues are provided to member agencies that exceed the Member Assessments or fees. Furthermore it would be more costly for the program to be performed by individual agencies than through C/CAG. Developing cost and program efficiency through collective efforts is the whole basis for C/CAG.

Funds provided by the Transportation Authority were coordinated with the TA staff and confirmed that the TA budget is consistent.

Committee Recommendations:

The Finance Committee will meet on 5/12/11 to review and comment on the detailed Budget. The Congestion Management and Environmental Quality Committee will review the Budget assumptions on 5/23/11. The Technical Advisory Committee (TAC) will review it on 5/19/11.

Attachments:

Attachment A - City/County Association of Governments 2011-1 Program Budget Executive Summary

Attachment B - Member Assessments FY 11-12

Attachment C - Graphical Representation of C/CAG Budget

Alternatives:

- 1- Review and provide comments on the initial draft of the C/CAG 2011-12 Program Budget and Fees in accordance with the staff recommendation.
- 2- Review and provide comments on the initial draft of the C/CAG 2011-12 Program Budget and Fees in accordance with the staff recommendation with modifications.
- 3- No action.

ATTACHMENT A

City/County Association of Governments 2011-12 Program Budget Executive Summary

05/05/11

CHANGES IN C/CAG BUDGET BY FISCAL YEAR

	Projected Actual FY 2010-11	Budgeted FY 2011-12	Budget Change	Budget % Change
BEGINNING BALANCE	8,997,830	10,265,511	1,267,681	14.09%
RESERVE BALANCE	376,112	376,112	0	0.00%
PROJECTED REVENUES				
Interest Earnings	64,000	104,000	40,000	62.50%
Member Contribution	2,599,827	2,599,931	104	0.00%
Cost Reimbursements-SFIA	0	0	0	0.00%
MTC/ Federal Funding	665,000	973,000	308,000	46.32%
Grants	511,619	712,443	200,824	39.25%
DMV Fee	4,215,562	10,958,500	6,742,938	159.95%
NPDES Fee	1,298,989	1,309,989	11,000	0.85%
TA Cost Share	426,680	3,500,000	3,073,320	720.29%
Miscellaneous/ SFIA	99,209	124,601	25,392	25.59%
Street Repair Funding	0	0	0	0.00%
PPM-STIP	1,174,925	2,860,000	1,685,075	143.42%
Assessment	0	0	0	0.00%
TLSP	300,000	700,000	400,000	133.33%
	0	0	0	0.00%
Total Revenues	11,355,811	23,842,464	12,486,653	109.96%
TOTAL SOURCES OF FUNDS	20,353,641	34,107,975	13,754,334	67.58%
PROJECTED EXPENDITURES	Total			
Administration Services	418,592	354,000	(64,592)	-15.43%
Professional Services	1,886,632	2,103,559	216,927	11.50%
Consulting Services	3,322,282	12,091,853	8,769,571	263.96%
Supplies	124,500	73,000	(51,500)	-41.37%
Prof. Dues & Memberships	125,244	135,166	9,922	7.92%
Conferences & Meetings	14,815	20,500	5,685	38.37%
Printing/ Postage	19,860	30,750	10,890	54.83%
Publications	13,329	8,000	(5,329)	-39.98%
Distributions	4,056,100	8,633,200	4,577,100	112.84%
Street Repair	0	0	0	0.00%
Miscellaneous	(21,414)	991,500	1,012,914	4730.15%
Bank Fee	1,000	2,000	1,000	100.00%
Audit Services	6,190	9,000	2,810	45.40%
Project Management	121,000	100,000	(21,000)	-17.36%
Total Expenditures	10,088,130	24,552,528	14,464,398	143.38%
TRANSFERS				
Transfers In	1,249,300	1,494,490	245,190	19.63%
Transfers Out	1,249,300	1,494,490	245,190	19.63%
Administrative Allocation	0	0	0	0.00%
Total Transfers	0	0	0	0.00%
NET CHANGE	1,267,680	(710,064)	(1,977,744)	-156.01%
TRANSFER TO RESERVES	0	0	0	0.00%
TOTAL USE OF FUNDS	10,088,130	24,552,528	14,464,398	143.38%
ENDING FUND BALANCE	10,265,511	9,555,447	(710,064)	-6.92%
RESERVE FUND BALANCE	376,112	376,112	0	0.00%
NET INCREASE (Decrease) IN FUND BALANCE	1,267,681	(710,064)	(1,977,745)	-156.01%

Note: Beginning/ Ending Reserve Fund Balance is not included in Beginning/ Ending Fund Balance

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C/CAG PROJECTED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	FY 2010-11										
	Administrative Program (General Fund)	Transportation Programs	SMCRP Program	Smart Corridor	LGP Energy Watch	TFCA	NPDES	AVA	DMV Fee Program	Measure M (DMV Fee)	Total
BEGINNING BALANCE	18,419	734,101	1,418,064	(40,767)	(183)	11,282	1,350,474	615,523	4,890,917	0	8,997,830
RESERVE BALANCE	43,346	131,863	0	0	0	0	200,903	0	0	0	376,112
PROJECTED REVENUES											
Interest Earnings	0	2,000	20,000	0	0	8,000	8,000	3,000	25,000	0	64,000
Member Contribution	250,025	390,907	1,850,000	0	0	0	108,895	0	0	0	2,599,827
Cost Reimbursements-SFIA	0	0	0	0	0	0	0	0	0	0	0
MTC/ Federal Funding	0	665,000	0	0	0	0	0	0	0	0	665,000
Grants	111,230	93,889	0	0	246,500	0	60,000	0	0	0	511,619
DMV Fee	0	0	0	0	0	957,062	0	658,500	2,600,000	0	4,215,562
NPDES Fee	0	0	0	0	0	0	1,298,989	0	0	0	1,298,989
TA Cost Share	0	115,000	311,680	0	0	0	0	0	0	0	426,680
Miscellaneous/ SFIA	0	0	0	0	0	0	99,209	0	0	0	99,209
Street Repair Funding	0	0	0	0	0	0	0	0	0	0	0
PPM-STIP	0	460,000	0	714,925	0	0	0	0	0	0	1,174,925
Assessment	0	0	0	0	0	0	0	0	0	0	0
TLSP	0	0	0	300,000	0	0	0	0	0	0	300,000
	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	361,255	1,726,796	2,181,680	1,014,925	246,500	963,062	1,575,093	661,500	2,625,000	0	11,355,811
TOTAL SOURCES OF FUNDS	379,674	2,460,897	3,599,744	974,158	246,317	974,344	2,925,567	1,277,023	7,515,817	0	20,353,641
PROJECTED EXPENDITURES											
Administration Services	117,000	100,052	126,075	19,000	8,000	3,465	25,000	0	20,000	0	418,592
Professional Services	246,022	1,010,552	125,270	129,000	267,000	32,534	53,254	0	23,000	0	1,886,632
Consulting Services	47,719	723,686	38,000	441,000	140,400	0	1,301,950	0	80,000	549,527	3,322,282
Supplies	124,500	0	0	0	0	0	0	0	0	0	124,500
Prof. Dues & Memberships	1,750	0	0	0	0	0	123,494	0	0	0	125,244
Conferences & Meetings	8,000	3,315	0	0	3,000	0	500	0	0	0	14,815
Printing/ Postage	12,250	5,500	0	110	0	0	2,000	0	0	0	19,860
Publications	11,000	1,980	349	0	0	0	0	0	0	0	13,329
Distributions	0	70,000	1,134,100	0	0	957,000	20,000	675,000	1,200,000	0	4,056,100
Street Repair	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	1,750	430	126	280	0	(25,000)	1,000	0	0	0	(21,414)
Bank Fee	1,000	0	0	0	0	0	0	0	0	0	1,000
Audit Services	6,190	0	0	0	0	0	0	0	0	0	6,190
Project Management	0	0	0	121,000	0	0	0	0	0	0	121,000
Total Expenditures	577,181	1,915,515	1,423,920	710,390	418,400	967,999	1,527,198	675,000	1,323,000	549,527	10,088,130
TRANSFERS											
Transfers In	0	0	0	300,000	210,000	0	189,300	0	0	550,000	1,249,300
Transfers Out	0	0	210,000	0	0	0	0	0	1,039,300	0	1,249,300
Administrative Allocation	(211,483)	130,907	29,626	0	32,414	4,243	9,224	0	5,068	0	0
Total Transfers	(211,483)	130,907	239,626	(300,000)	(177,586)	4,243	(180,076)	0	1,044,368	(550,000)	0
NET CHANGE	(4,444)	(319,626)	518,134	604,535	5,686	(9,180)	227,971	(13,500)	257,632	473	1,267,680
TRANSFER TO RESERVES	0	0	0	0	0	0	0	0	0	0	0
TOTAL USE OF FUNDS	365,699	2,046,422	1,663,546	410,390	240,814	972,242	1,347,122	675,000	2,367,368	(473)	10,088,130
ENDING FUND BALANCE	13,975	414,475	1,936,198	563,768	5,503	2,102	1,578,445	602,023	5,148,549	473	10,265,511
RESERVE FUND BALANCE	43,346	131,863	0	0	0	0	200,903	0	0	0	376,112
NET INCREASE (Decrease) IN FUND BALANCE	(4,444)	(319,626)	518,134	604,535	5,686	(9,180)	227,971	(13,500)	257,632	473	1,267,680
As of June 30, 2009											
Note: 1- Beginning/ Ending Reserve Fund Balance is not included in Beginning/ Ending Fund Balance											
2- See individual fund summaries and fiscal year comments for details on Miscellaneous expenses.											
3- SMCRP - San Mateo Congestion Relief Program; TFCA - Transportation Fund For Clean Air; NPDES - National Pollutant Discharge Elimination System; Abatement.											
AVA - Abandoned Vehicle Abatement; DMV - Department of Motor Vehicles.											
Administration Services	\$363,022	\$1,110,604	\$251,345		\$275,000	\$35,999	\$78,254		\$43,000	\$0	\$2,157,224
% Basis	0.16828208	0.51483013	0.116513158		0.127478638	0.016687649	0.036275321		0.019933023	0	100%
Admin Cost Sharing											
Legal Services	\$20,000										
Accounting Services	\$70,600										
Office Space	\$45,000										
Printing/ Postage	\$12,250										
Publications	\$11,000										
Web Support	\$15,017										
Office Space Move	\$70,000										
Redwood City program Payroll	\$10,405										
Total	\$254,272										
	\$42,789	130,907	29,626		32,414	4,243	9,224		5,068	0	\$254,272
Transfer Out		130,907	29,626		32,414	4,243	9,224		5,068	0	
Transfer In	\$211,483										

05/05/11

C/CAG PROGRAM BUDGET: REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	FY 2011-12										
	Administrative Program (General Fund)	Transportation Programs	SMCRP Program	Smart Corridor	LGP Energy Watch	TFCA	NPDES	AVA	DMV Fee Program	Measure M (DMV Fee)	Total
BEGINNING BALANCE	13,975	414,475	1,936,198	563,768	5,503	2,102	1,578,445	602,023	5,148,549	473	10,265,511
RESERVE BALANCE	43,346	131,863	0	0	0	0	200,903	0	0	0	376,112
PROJECTED REVENUES											
Interest Earnings	2,000	3,000	25,000	0	0	6,000	15,000	3,000	25,000	25,000	104,000
Member Contribution	250,024	390,907	1,850,000	0	0	0	108,000	0	0	0	2,599,931
Cost Reimbursements-SFIA	0	0	0	0	0	0	0	0	0	0	0
MTC/ Federal Funding	0	973,000	0	0	0	0	0	0	0	0	973,000
Grants	100,000	179,000	0	0	303,500	0	129,943	0	0	0	712,443
DMV Fee	0	0	0	0	0	1,000,000	0	658,500	2,600,000	6,700,000	10,958,500
NPDES Fee	0	0	0	0	0	0	1,309,989	0	0	0	1,309,989
TA Cost Share	0	200,000	300,000	3,000,000	0	0	0	0	0	0	3,500,000
Miscellaneous/ SFIA	0	0	0	0	0	0	124,601	0	0	0	124,601
Street Repair Funding	0	0	0	0	0	0	0	0	0	0	0
PPM-STIP	0	460,000	0	2,400,000	0	0	0	0	0	0	2,860,000
Assessment	0	0	0	0	0	0	0	0	0	0	0
TLSP	0	0	0	700,000	0	0	0	0	0	0	700,000
	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	352,024	2,205,907	2,175,000	6,100,000	303,500	1,006,000	1,688,533	661,500	2,625,000	6,725,000	23,842,464
TOTAL SOURCES OF FUNDS	365,999	2,620,381	4,111,198	6,663,768	309,003	1,008,102	3,266,978	1,263,523	7,773,549	6,725,473	34,107,975
PROJECTED EXPENDITURES											
Administration Services	117,000	115,000	20,000	21,000	8,000	8,000	25,000	0	20,000	20,000	354,000
Professional Services	255,000	1,150,000	150,000	125,000	287,000	35,000	51,559	0	25,000	25,000	2,103,559
Consulting Services	30,000	820,750	1,210,000	6,750,000	161,000	0	1,945,103	0	125,000	1,050,000	12,091,853
Supplies	71,000	2,000	0	0	0	0	0	0	0	0	73,000
Prof. Dues & Memberships	1,750	0	0	0	0	0	133,418	0	0	0	135,166
Conferences & Meetings	8,000	3,000	1,000	0	3,000	0	1,500	0	2,000	2,000	20,500
Printing/ Postage	20,250	5,500	0	0	0	0	5,000	0	0	0	30,750
Publications	4,000	4,000	0	0	0	0	0	0	0	0	8,000
Distributions	0	70,000	940,000	0	0	0	20,000	675,000	2,700,000	4,228,200	8,633,200
Street Repair	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	2,500	1,000	1,000	0	0	961,000	1,000	25,000	0	0	991,500
Bank Fee	2,000	0	0	0	0	0	0	0	0	0	2,000
Audit Services	9,000	0	0	0	0	0	0	0	0	0	9,000
Project Management	0	0	0	100,000	0	0	0	0	0	0	100,000
Total Expenditures	520,500	2,171,250	2,322,000	6,996,000	459,000	1,004,000	2,182,578	700,000	2,872,000	5,325,200	24,552,528
TRANSFERS											
Transfers In	0	0	0	400,000	200,000	0	344,490	0	550,000	0	1,494,490
Transfers Out	0	0	200,000	0	0	0	0	0	744,490	-550,000	1,494,490
Administrative Allocation	-158,626	103,458	13,903	0	24,126	3,517	6,261	0	3,680	3,680	0
Total Transfers	-158,626	103,458	213,903	-400,000	-175,874	3,517	-338,229	0	198,170	553,680	0
NET CHANGE	-9,850	-68,801	-360,903	-496,000	20,374	-1,517	-155,816	-38,500	-445,170	846,120	-710,064
TRANSFER TO RESERVES	0	0	0	0	0	0	0	0	0	0	0
TOTAL USE OF FUNDS	361,874	2,274,708	2,535,903	6,596,000	283,126	1,007,517	1,844,349	700,000	3,070,170	5,878,880	24,552,528
ENDING FUND BALANCE	4,126	345,673	1,575,295	67,768	25,877	585	1,422,629	563,523	4,703,379	846,593	9,555,447
RESERVE FUND BALANCE	43,346	131,863	0	0	0	0	200,903	0	0	0	376,112
NET INCREASE (Decrease) IN FUND BALANCE As of June 30, 2010	-9,850	-68,801	-360,903	-496,000	20,374	-1,517	-155,816	-38,500	-445,170	846,120	-710,064
Note: 1- Beginning/ Ending Reserve Fund Balance is not included in Beginning/ Ending Fund Balance.											
2- See individual fund summaries and fiscal year comments for details on Miscellaneous expenses.											
3- SMCRP - San Mateo Congestion Relief Program; TFCA - Transportation Fund For Clean Air; NPDES - National Pollutant Discharge Elimination System; Abatement.											
AVA - Abandoned Vehicle Abatement; DMV - Department of Motor Vehicles.											
Sum of Admin and Profess.	372,000	1,265,000	170,000		295,000	43,000	76,559		45,000	45,000	2,311,559
% Basis	16%	55%	7%		13%	2%	3%		2%	2%	100%
Admin Cost Sharing											
Legal Services	20,000										
Accounting Services	70,600										
Office Space	60,000										

**CITY/ COUNTY ASSOCIATION OF GOVERNMENTS OF
SAN MATEO COUNTY (C/CAG)
FACT SHEET - FY 2011-12**

Description: Joint Powers Authority of the 20 Cities and the County in San Mateo County. Functions as the Congestion Management Agency for San Mateo County including programming State and Federal discretionary funds. Also acts as the Local Task Force for Solid Waste Management, Airport Land Use Commission, Water Pollution Prevention Program and Transportation Fund for Clean Air manager. Facilitates long range planning to link land use and transportation.

Full Time Equivalent (FTE): FY 10-11 8.5 FTE FY 11-12 9.0 FTE
No change NPDES Program Manager went from part time to full time

Major Budget Assumptions:

Assumptions include: 1- No change in member assessment, 2- For NPDES budget assumed the new Municipal Regional Permit level and partially funded (\$344,490) by DMV Fee Program, 3-Smart Corridor Implementation including \$6,100,000 in transportation funds flows through the C/CAG budget, 4- San Mateo County Energy Watch (\$303,500) and 5- Climate action planning funding (\$200,000) is provided from the San Mateo Congestion Relief Program.

C/CAG Budget:	FY 10-11 Projection	FY 11-12 Budget	Change	PerCent
Beginning Balance:	\$ 8,997,830	\$10,265,511	\$ 1,267,681	14.09%
Reserves:	\$ 376,112	\$ 376,112	\$ 0	0%
Total Revenues:	\$11,355,811	\$23,842,464	\$12,486,653	109.96%
<u>Total Sources of Funds:</u>	<u>\$20,353,641</u>	<u>\$34,107,975</u>	<u>\$13,754,334</u>	<u>67.58%</u>
Total Expenditures:	\$10,088,130	\$24,552,528	\$14,464,398	143.38%
Transfer to Reserves:	\$ 0	\$ 0	\$ 0	0%
<u>Total Use of Funds:</u>	<u>\$10,088,130</u>	<u>\$24,552,528</u>	<u>\$14,464,398</u>	<u>143.38%</u>
Ending Fund Balance:	\$10,265,511	\$ 9,555,447	(\$710,064)	-6.92%
Reserve Fund Balance:	\$ 376,112	\$ 376,112	\$ 0	0%

Reserves are not included in Total Sources of Funds.

Capital: Consulting - \$12,091,853 Distributions - \$8,633,200 Total - \$20,725,053

Operating: \$3,827,475

C/CAG Budget Overview:

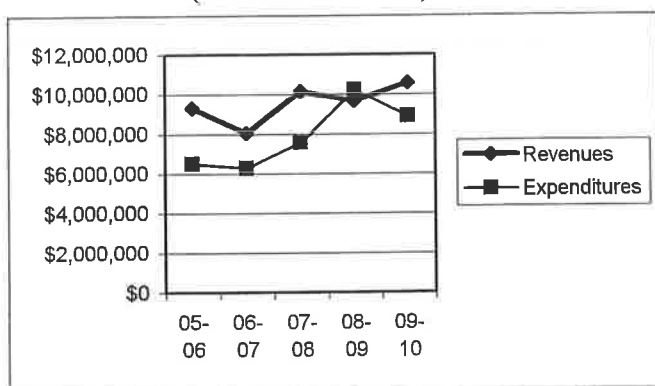
Revenues increased 109.96% and Expenditures increased 143.38%. The Revenue increase of \$12,486,653 is due primarily to the \$5,085,075 increase in State Transportation Improvement Program (STIP) funds for the Smart Corridor Project and \$6,725,000 from new Measure M revenue. The increase in Expenditures of \$14,464,398 is due to the project implementation (\$6,285,610) for the Smart Corridor project, an increase in Transportation Programs of \$255,735, new Measure M local distributions of \$4,775,673, San Mateo Congestion Relief increase of \$898,080 due to Smart Corridor Project support and climate action, and DMV Fee Program implementation cost of \$1,549,000. Ending Fund Balance decreased 6.92% or by \$710,064. The Reserve Fund Balance between FY 10-11 and FY 11-12 remain the same. The cost for the lobbyist is included in the budget for Congestion Relief (\$36,000) and NPDES (\$36,000) funds.

Major Programs/ Funds:	Balance Beginning	Revenues	Expenditures	Transfers	Balance Ending
General Fund	\$ 13,975	\$ 352,024	\$ 520,500	(\$158,626)	\$ 4,126
Transportation Fund	\$ 414,475	\$ 2,205,907	\$ 2,171,250	\$ 103,458	\$ 345,673
San Mateo Congestion Relief Program	\$1,936,198	\$ 2,175,000	\$ 2,322,000	\$ 213,903	\$1,575,295
San Mateo Smart Corridor	\$ 563,768	\$ 6,100,000	\$ 6,996,000	(\$400,000)	\$ 67,768
LGP Energy Watch	\$ 5,503	\$ 303,500	\$ 459,000	(\$175,874)	\$ 25,877
TFCA	\$ 2,102	\$ 1,006,000	\$ 1,004,000	\$ 3,517	\$ 585
NPDES	\$1,578,445	\$ 1,688,533	\$ 2,182,578	(\$338,229)	\$1,422,629
AVA	\$ 602,023	\$ 661,500	\$ 700,000		\$ 563,523
DMV Fees	\$5,149,022	\$ 9,350,000	\$ 8,197,200	\$ 751,850	\$5,549,972
<u>C/CAG - Total</u>	<u>\$10,266,511</u>	<u>\$23,842,464</u>	<u>\$24,552,528</u>	<u>\$ 0</u>	<u>\$9,555,447</u>
Undesignated Balance:					

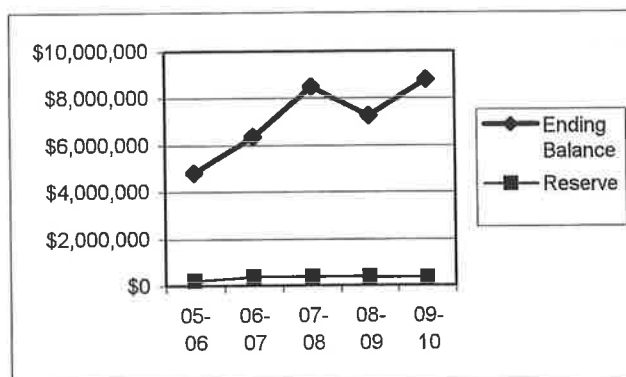
Major Programs/ Funds:	Balance Ending	Designated Expense	Designated Revenue	Designated Net	Undesignated Balance
General Fund	\$ 4,126	\$0	\$0	-\$0	\$4,126
Transportation Fund	\$345,673	\$150,000	\$0	-\$150,000	\$195,673
San Mateo Congestion Relief Program	\$1,575,295	\$823,000	\$100,000	-\$723,000	\$852,295
San Mateo Smart Corridor Program	\$67,768	\$67,768	\$0	-\$67,768	\$0
LGP Energy Watch					
TFCA	\$585	\$585	\$0	-\$585	\$0
NPDES	\$1,422,629	\$1,000,000	\$0	-\$1,000,000	\$422,629
AVA	\$563,523	\$180,000	\$0	-\$180,000	\$383,523
DMV Fees	\$5,549,972	\$3,500,000	\$0	-\$3,500,000	\$2,049,972
C/CAG – Total	\$9,555,447	\$5,721,353	\$100,000	-\$5,621,353	\$3,934,094

C/CAG NORMALIZED FIVE YEAR HISTORICAL REVIEW: (Not Current -Will be Updated for Final Budget)

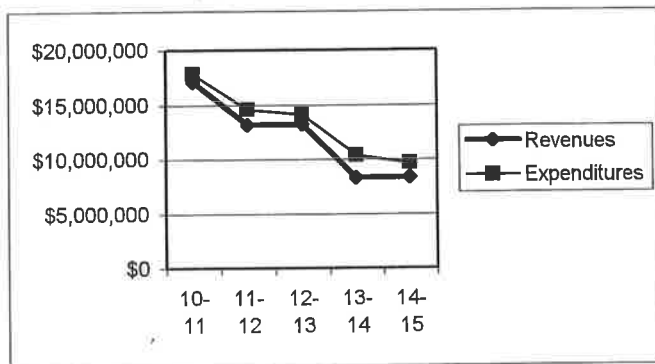
**FY 05-06 Thru FY 09-10
(Normalized to 2005)**



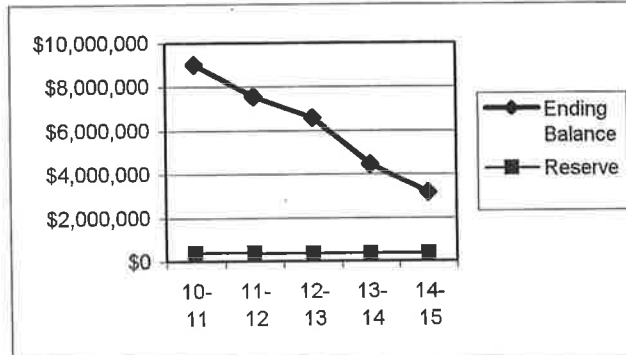
**FY 05-06 Thru FY 09-10
(Normalized to 2005)**



**FY 10-11 Thru FY 14-15
(Normalized to 2010)**



**FY 10-11 Thru FY 14-15
(Normalized to 2010)**



- Issues:**
- 1- Need to continue to get funding for the Airport Land Use Commission activities.
 - 2- New NPDES Storm-water Permit will significantly increase the cost of the program although budget balanced through FY 13-14. Measure M should address the \$750,000 per year deficit. Must pursue additional revenue.
 - 3- Implementation of the Smart Corridor Project will cause a significant increase in expenditures that requires the cash flow to be managed.
 - 4- Staff needs to reduce the large balance (\$5,549,972) of the DMV Fee Program.
 - 5- Ending Balance will drop significantly due to project cash flow; however, it should not be seen as a problem.
 - 6- Need to program or return the AVA balance of \$563,523.

Reserves: Have reserves of \$376,112 out of an Operating Budget of \$2,919,928 or 12.9%. However, the Undesignated Balance of \$3,827,475 provides funding capacity for unexpected issues or cost growth in programs. This will cover 1.9 years of the C/CAG fixed labor cost (\$1,950,000).

ATTACHMENT B

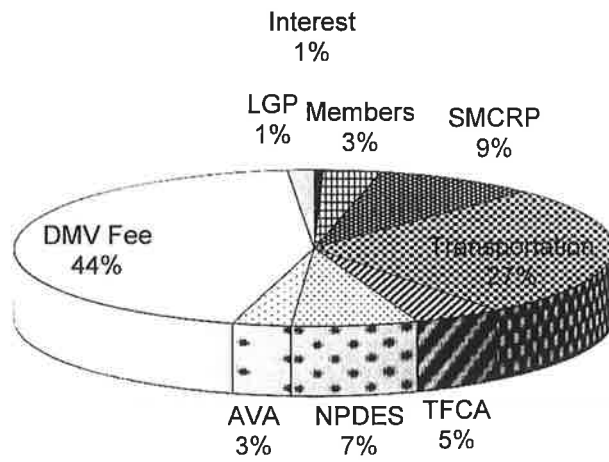
MEMBER ASSESSMENTS FY 11-12
(Same as FY 10-11)

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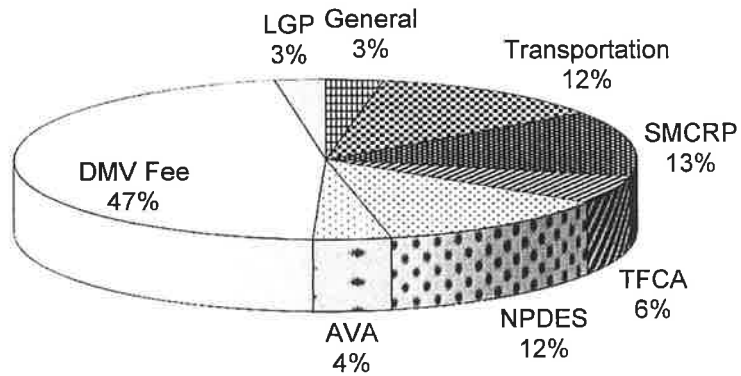
ATTACHMENT C

Graphical Representation of C/CAG Budget

C/CAG REVENUES FY 2011-12

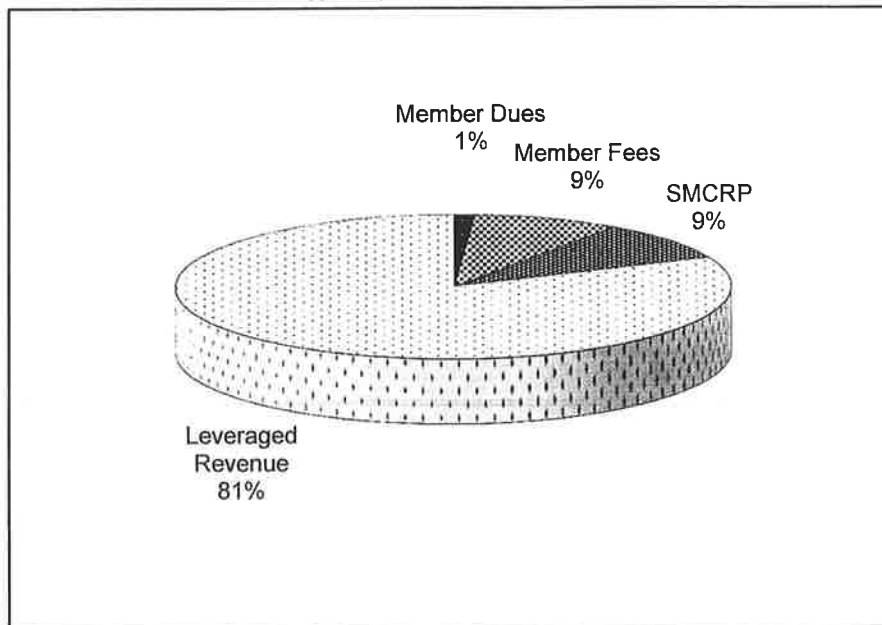


C/CAG EXPENDITURES FY 2011-12



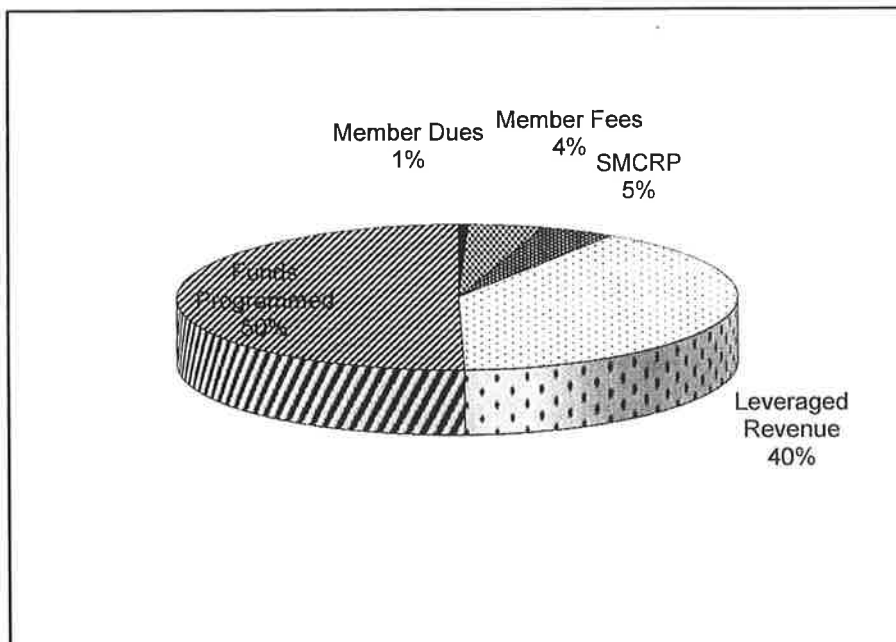
C/CAG MEMBER DUES/ FEES HIGHLY LEVERAGED

C/CAG REVENUES FY 2011-12



Leverage= 9.2583 to 1
(Less SMCRP Funds)

C/CAG CONTROLLED FUNDS FY 2011-12



Leverage= 19.55 to 1
(Less SMCRP Funds)